HOUSING MARKET ASSESSMENT

Halifax CMA

CANADA MORTGAGE AND HOUSING CORPORATION

Second Quarter 2018

The Halifax CMA exhibits a low degree of housing market vulnerabilities

- As construction continues on the single-detached market, inventories of completed and unsold units remain near the overbuilding threshold, although declining since last quarter.[1]
- Average prices picked up pace in the fourth quarter, impacted by growth on the new home market and a rise in sales priced over one million, a trend that has continued into 2018.
- Strength in fundamentals such as growth in the young adult population supports low evidence of overvaluation.

Listings remain low as sales growth continues

- Strong sales growth combined with a persistent low level of new listings has caused the sales-to-listings ratio to inch upward. As of February, the number of total active listings in Halifax was down by around 16% compared to last year. If resale listings remain low, it is expected that price growth will continue, especially if more buyers turn to the pricier new home market to meet their purchasing needs. The Halifax market is still exhibiting low evidence of price acceleration and overheating as these two models are below thresholds.

Results Overview
Halifax CMA

	Jan. 2018	Apr. 2018
Overheating		
Price Acceleration		
Overvaluation		
Overbuilding		
Overall Assessment		

Degree of vulnerability
■ High ■ Moderate ■ Low

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"Continued strength in new home construction has caused the inventories of completed and unsold units to remain elevated. Sales and average prices on the resale market have increased although the number of listings have remained low."

Figure 1

Low evidence of Overheating

Source: CREA and calculations (threshold) by CMHC. Last data point: 2017 Q4.

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[1] Results are based on data as of the end of December 2017 and local market intelligence up to end of March 2018. CMHC continuously monitors market developments and will issue HMA updates on a quarterly basis. A detailed description of the framework is available in the appendix of the National edition.

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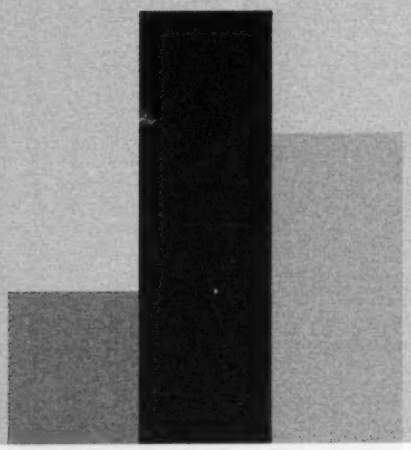

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